

The Economic Condition of Agricultural Labourers :
A Case Study of Garhi Block in Banswara
District (Rajasthan)

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THE ECONOMIC CONDITION OF AGRICULTURAL LABOURERS:
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Agricultural labour is economically and socially most handicapped section of the rural society. A large section of this group continues to live on the verge of poverty particularly in rural areas. The question of improvement in the living conditions of this group in terms of wages and employment has attracted considerable attention of policy makers and academicians as well. This has largely emanated from a general belief that the benefits of development have not percolated down the social structure resulting in the inequalities between the resourceful and resourceless.

This has been inflected in the major studies on trends in money and real wage rates in agriculture over the recent period covering the Sixties; e.g. by Bardhan (1970-73)¹, Jose (1974)² and Krishnaji (1971)³. From the available studies, it appears that agricultural labourers' lag behind their cost of living.⁴ Despite marked rise in farm productivity - thanks mainly to "Green Revolution" the real wages of agricultural labourers remained constant and in some cases even declined slightly.⁵ On the other hand, the available evidence clearly brings out an inescapable outcome of the Green Revolution viz,

the growing disparities of income between large farmers and small farmers and agricultural wage earners.⁶ Many have admitted that the 'Green Revolution' has been predominantly a large farmer phenomenon,⁷ and also that agricultural labourers were not sharing the benefits of improved technology.⁸

In the absence of any resources under their command and the failure of other government programmes to deliver the goods, the economic condition of agricultural labourers continues to deteriorate over the years. Though the per capita income figures show a rising trend in India, the per capita income of this group (AL) has declined over the last two decades.⁹

Since the agricultural labourers constitute a big majority of weaker sections in rural areas, it is very important to know the level of living of this important segment of rural society. For studying the level of living of agricultural labourers (henceforth AL), knowledge about their level of incomes as well as family expenditure is very essential. Keeping this in view, the present study was conducted with the following specific objectives:

1. To estimate employment and unemployment among the agricultural labour households.
2. To examine level of living of agricultural labour households.

Methodology

The present study is a part of a project 'Bench Mark Studies of Socio-Economic Conditions of Drought Prone Areas of U.P. and Rajasthan' conducted by the Giri Institute. The concentration of agricultural workers in Banswara district is mainly confined in Garhi block, which accounts for 12.42 per cent of the total main workers as per 1981 Census. The three villages Suja-Ji-Ka-Gada, Gopinath-Ka-gada and Khairan-Ka-Padla represent high, medium and low-group of irrigated villages respectively. Of these three villages the first two villages are having comparatively larger number of AL households. The total number of AL households randomly selected for this study were 41, of which 30 were cultivating labour households and the rest 11 were landless households. The main reason to consider the household as a unit rather than individual labourer for investigation is that it is income of all family members as well as income from all sources that is pooled together to meet the family expenditure. The data for the study was collected through the structured household and village schedules for the year 1980-81.

Agricultural Labourers (AL)

AL has been defined as a worker who is engaged in the process of 'crop production'.¹⁰ But it is very difficult to classify AL strictly on the basis of agricultural occupation, as many labourers may devote many days in non-agricultural

activities especially during off-season. In the present study, the unit of our investigation is a family whose main source of income accrues through hiring out its labour in agricultural occupations. Moreover, the family devotes more than 50 per cent of its total employment days in agricultural operations. Further, the agricultural families have been divided into two categories viz; landless and cultivating labourer households. The former are those, who get most of their employment in crop production, whereas the latter apart from doing work on their own small farms (self employment) also work in others farm and non-agricultural activities.

FINDINGS

Family Structure and Participation

The sample households were found to be of small and medium family size. Usually a family of AL consists of husband, wife and their children. It was found that Joint Family System was not prevalent among agricultural labourers. The family structure is seen here in terms of earners and non-earners. The earners are those who work and in turn get wages or those help in agricultural operations to their elders whereas the non-earners are either old persons or children (see table 1). As is evident from table-1 the average number of earners is slightly higher (2.55) in case of landless labourers as compared to cultivating labourers (2.13). It is

Table-1

Category-wise Number of Earners and Non-Earners (1980-81)

Category of Agri-cultural labourers	No. of families	Earners	Non-Earners	Total
Cultivating Labourers	30	64 (46.38)	74 (53.62)	138 (100.00)
Landless Labourers	11	28 (51.85)	26 (48.15)	54 (100.00)
TOTAL	41	92 (47.92)	100 (52.08)	192 (100.00)

(Figures in brackets denote percentages to total)

Source: Bench Mark Studies of Socio-Economic Conditions of the Drought Prone Areas of U.P. and Rajasthan; Household Schedules.

mainly because of the fact that landless labour households are more inclined to work particularly in terms of children participants.

Employment and Unemployment

The extent of employment and unemployment among AL families can be well understood from the duration of employment received in various activities (including self employment) as is given in Table-2. The overall employment per family as the table indicates came to 414 days. Looking at the total employment per family for cultivating labourers and landless labourers it came around 413 days and 418 days respectively. The major part of employment is wage employment in agriculture

Table-2

Employment and Unemployment in Mandays (1980-81)

Category of Agricultural Labourers	No. of house- holds	Wage Employment per		Self-employment per		Total		Employ- ment per		Employ- ment per earner	Un- employ- ment per earner
		Agri- culture	Non- agri- culture	Family	Family	Allied agri- culture vitties	Total	family (col. 5+8)	ment per family		
1	2	3	4	5	6	7	8	9	10	11	
Cultivating labourers	30	282.67 (68.47)	25.67 (6.22)	308.33 (74.69)	57.83 (14.01)	46.88 (11.36)	104.50 (25.31)	412.83 (100.00)	193.52	146.48	
Landless labourers	11	355.91 (85.20)	52.73 (12.62)	408.64 (97.82)	-	9.09 (2.18)	9.09 (2.18)	417.73 (100.00)	164.10	175.90	
ALL	41	302.32 (73.00)	32.93 (7.95)	335.24 (80.95)	57.83 (13.96)	32.93 (7.95)	78.90 (19.05)	414.15 (100.00)	184.57	155.43	

(Figures in brackets denote percentages)

Source : Bench Mark Studies of Socio-Economic Conditions of the Drought Prone Areas of
Uttar Pradesh and Rajasthan, Household Schedules.

for both the categories. It is also evident from the table that though the total employment per family is higher, the employment per earner is lower in case of landless labourers as compared to cultivating labourers. It is because the average number of landless labourers is higher than the cultivating labourers. The overall average unemployment per earner worked out on the basis of available mandays¹¹ in a year came to about 155 days. The magnitude of unemployment is higher in case of landless labourer households as compared to cultivating labourer households.

Income

Agricultural wages are the principal source of the income of agricultural labourers. To a small extent self employment in agriculture and allied activities and wage employment in non-agricultural sector also contribute to the income of this class. Table 3 shows that overall per capita income came to the tune of Rs.600/- per year.

Table-3
Income of Agricultural Labourers Per Family from Different Sources (1980-81)

(Income in Rs.)								
Category of Labour- ers	No.of Fami- lies	Av. Fami- ly size	Average Income from Diffe- rent Sources				Total Income	Per capi- ta income
			Agri. Wages	Self Employment		Non- Agr. wages		
				Agri. crops	Dairy			
Cultivat- ing Labour- ers	30	4.6	1880.67 (69.10)	387.53 (14.24)	282 (10.36)	171.33 (6.30)	2721.53 (100.00)	591.52
Agricultu- ral Labour- ers	11	4.91	2504.55 (82.24)	-	58.18 (1.91)	482.72 (15.85)	3045.45 (100.00)	620.16
TOTAL	41	4.68	2048.05 (72.92)	283.56 (10.10)	221.95 (7.90)	254.88 (9.08)	2808.43 (100.00)	600.00

(Figures in brackets denote percentages)

Source: Bench Mark Studies of Socio-Economic Conditions of the Drought Prone Areas of U.P. and Rajasthan, Household Schedules.

In case of cultivating labour families it was Rs.591.52 and in case of landless labour families it was Rs.620.16. The per capita income of landless labour was higher due to the fact that some of the workers in this category were skilled workers and better paid, which increased the total amount of agricultural wages. Further, this category was found prone to shift to non-agricultural sector as and when there is dearth of work in agriculture. Moreover, the number of earners per family was also slightly more in this category of labourers.

Level of Living

Level of living of a labourer could be measured broadly by the extent and priority of his expenditure on different items of consumption. The amount of expenditure on different items of consumption per capita per year for two categories of labourers is given in Table-4. The table shows that per capita consumption per year in case of landless labourers came

Table-4

Expenditure on Different Items of Consumption Per Capita Per Year in Both Categories of Agricultural Labourers (1980-81)

Sl. No.	Items of expenditure	Cultivating Labourers		Landless Labourers	
		Amount (Rs.) (Av. per family)	Percentage (Av. per family)	Amount (Rs.) (Av. per family)	Percentage (Av. per family)
1.	Fooding	494.56	72.42	541	174.30
2.	Milk	23.97	3.51	10.74	1.48
3.	Clothing	95.65	14.01	93.89	12.90
4.	Housing	0.94	0.14	0.93	0.13
5.	Light	8.62	1.26	5.26	0.72
6.	Education	2.68	0.39	4.63	0.64
7.	Social Ceremonies	8.15	1.19	17.96	2.67
8.	Miscellaneous	48.51	7.10	53.61	7.36
Total		682.89	100.00	728.02	100.00
Per Capita Consumption per month in Rs.		56.91		60.67	

Source : Bench Mark Studies of Socio-Economic Conditions of the Drought Prone Areas of U.P. and Rajasthan, Household Schedules.

to about 728.02 and Rs.683 in case of cultivating labourers. It indicates that expenditure was higher in case of landless labourers as compared to cultivating labourers. The higher expenditure in case of landless agricultural labourers is explained by their relatively higher levels of income. About three-fourth of the total expenditure is on food for both categories of labourers. The other basic requirements like clothing, housing and education could attract little or negligible proportion of the total expenditure incurred by this class. After food and clothing the miscellaneous items (foot-wears, toilet goods, tobacco, beverages, entertainments, medicines, and intoxicants etc.) command the third major part of the expenditure. These three categories of expenditures taken together, account for over 93 per cent of total expenditure. Different items of consumption taken together indicate the poor consumption pattern of the agricultural labourers who could hardly afford two square meals a day. The per capita monthly consumption expenditure as revealed by the table is dismally low which is an indication of abject poverty, the AL is living in. Poverty line was measured as the mid-point of the monthly per capita expenditure class having Rs.76 in rural areas and Rs.88 in urban areas at 1979-80 prices.¹² The lower level of per capita consumption per month in the case of cultivating labour as well as the landless labour households than the prescribed minimum identified by the Planning Commission (Rs.76/-) is enough to substantiate our point that both these categories of AL households have been living well below the poverty line.

Indebtedness

Low income forces these AL households to seek loans, but since their income is too low to meet even minimum needs, they are rarely in a position to pay back the principal. As a result the principal continues to increase with the addition of exorbitant rate of interest (in most of the cases 60 per cent).

It would be seen from Table-5 that bulk of loan has been taken for the purpose of daily consumption. The other important purposes, the loan has taken for, are livestock, social customs and agricultural purposes by cultivating labourers and housing, social customs by agricultural labourers. Most of the labourers had taken loan from the farmer/landlords. Their access to other agencies of lending such as banks or cooperatives was found to be very little. It was reported by them that they could get loan from these agencies only when some middle man could take them to these agencies. for the lending agencies usually ask securities and surety which they hardly could furnish. Further, the labourers are quite

Table-5

Purpose-wise Indebtedness Among Agricultural Labourers 1979-80

		(in Rs.)							
Category of Agricultural Labourers	No.	Purpose of Indebtedness						Total	Per family indebtedness
		Consumption	Social customs	Agri. purposes	Live-stock	Housing			
Cultivating Labourers	30	6300 (31.50)	3000 (15.00)	2000 (10.00)	6700 (33.50)	2000 (10.00)	20,000 (100.00)	666.66	
Landless Labourers	11	3300 (43.86)	1500 (19.48)	-	900 (11.69)	2000 (25.97)	7,700 (100.00)	700.00	
Total	41	9600 (34.66)	4500 (16.25)	2000 (7.22)	7600 (27.44)	4000 (14.44)	27,700 (100.00)		

(Figures in brackets denote percentages)

Source: As mentioned in other tables.

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hesitant about the lending agencies as they are not well
informed about the procedures and functioning of these insti-
tutions and always preoccupied with the feeling that due to
their illiteracy they are likely to be exploited.

SOME OBSERVATIONS

AL both landless and cultivating, mainly depend on
wage employment. Cultivating labourers who are only part time
farmers as their land is too small to make a living, as the
study reveals, are poorer than landless labourers. This observa-
tion is in confirmity with many other studies. Bardhan has
shown that in 11 States out of 14 in 15-44 age group and in
13 States out of 14 in 45-59 age group, the average earning
per manday for those who worked as employees in other farms
was higher for pure wage earners than for small farmers.¹³
In Sen's (1962, 1966) formulation also, the imputed price of
labour to the small peasant farm is lower than the actual
price of labour to the larger farms.¹⁴ The severe unemploy-
ment coupled with low wage rate results in low income of
agricultural labourers. The villages of our study remain
victim of frequent droughts. Technological change, particularly
in case of larger operational holdings, failed to solve the
problem.¹⁵

On the supply side, the population pressure, decline in
the size of holdings of cultivators and the process of land
alienation has also swelled the size of agricultural labourers
over the past years. To what extent the forces of demand and

supply affect the wages? One comes to the conclusion that neither the demand for nor the supply of labour is very wage elastic.¹⁶ Increased demand may mitigate the cyclic fluctuations in wage rates but may not increase the wage rate to any significant extent. Therefore, 'shifts in the demand for labour may affect not the wage rate per unit of labour employed, but the extent of employment and wage income'.¹⁷ Further, if the adoption of new or improved technology by the bigger farmers, particularly when there is a highly skewed distribution of holdings where the average size of holdings is also quite big, the increased demand for labour might not push up the wage rate because of a stronger bargaining power of the land owners.¹⁸ Two other factors which play an important role in the determination of wages are collective bargaining power and wage protection policy. In the villages under our study when we see the variation in wages¹⁹ in the background of the above mentioned factors, it seems the supply in excess of demand, high collective bargaining power of the big farmers who are in a position to keep down the wages.²⁰

We found that the villages in our case study were mainly single cropped area and the duration of agricultural operations does not stretch more than four months. The employment opportunities in livestock and non-agricultural sector are also not enough to improve the economic lot of the labouring class. The income received in terms of agricultural wages/output ; non-agricultural income and earnings from livestock is not enough. Agricultural wages, as mentioned earlier, do

not show appreciable increase. As far as livestock as a source of income is concerned, most of the agricultural labourer families own livestock, but the income from livestock is very low firstly because of the poor quality of livestock and secondly the deprivation of infrastructure facilities have reduced the activity into shambles. The income from non-agricultural sector as potential source of income through activities like carpentry, basket-making, black-smithy, tailoring, shoe-making, mason etc. commands a little proportion of the total income. Thus taken together the agriculture, non-agriculture and animal husbandry have not proved capable to cope with the situation of high degree of unemployment vis-a-vis low level of income of the agricultural labourers.

Looking at the scope of increasing income from agriculture, animal husbandry and non-agricultural activities, it could be pointed out that in the present circumstances, though the scope in agriculture is limited due to the very nature of agriculture which suffers very often as a result of the vagaries of droughts, but hopefully with the completion of Mahi Bajaj project, assured irrigation facilities would be available to agriculture, which would certainly increase food production, employment opportunities and, in turn, income of the cultivating farmers.

With regards to the wages in agriculture, it is imperative to enforce minimum wages act strictly. At the same time keeping in mind the case of Kerala which has seen the phenomenon of a larger rise in real agricultural wages rates, in the context of its higher proportion of landless rural labour house-

holds,²¹ it could be suggested that organised bargaining power of agrarian Trade Unions may bring about an upward shift in agricultural wages in Banswara village also.

As far as animal husbandry as a potential source of income is concerned, it could be visualised that improved quality cattle with adequate feed and infrastructure (medical and marketing) will enhance the income to a considerable extent. However, agriculture and animal husbandry alone would not prove to be viable propositions to remove the massive poverty of the deprived class of AL households. Therefore, avenues in the non-agricultural sector will have to be tapped. In this regard traditional activities which are in operation but sinking gradually and those which are not in operation but have a vast scope to flourish should be revived and strengthened by way of giving incentives in terms of training, raw material, credit facilities and above all assured marketing facilities to the rural poor. Thus to sum up, an integrated approach of development of the AL households is sine-qua-non.

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